THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. If you are in any doubt about the contents of this document and/or the action you should take, you should immediately consult your stockbroker, bank manager, solicitor or other independent financial adviser duly authorised under the Financial Services and Markets Act 2000 (as amended).

If you have sold or transferred all your Ordinary Shares you should hand this document together with the accompanying Form of Proxy to the purchaser or transferee or to the stockbroker, bank or other agent through whom the sale or transfer was effected, for onward transmission to the purchaser or transferee. If you have sold or transferred only part of your holding in Ordinary Shares in the Company, you should retain these documents.

The distribution of this document in jurisdictions other than the UK may be restricted by law and, therefore, persons into whose possession this document comes should inform themselves about and observe any such restrictions. Any failure to comply with such restrictions may constitute a violation of the securities laws of any such jurisdictions. In particular, this document should not be forwarded or transmitted in or into the United States, Canada, Australia, South Africa, Japan or any other jurisdiction where it would be illegal to do so. The Ordinary Shares have not been, nor will they be, registered under the United States Securities Act 1933 (as amended) or under any of the relevant securities laws of any state of the United States or of Canada, Australia, South Africa or Japan. Accordingly, the Ordinary Shares may not (unless an exemption under relevant securities laws is applicable) be offered, sold, resold or delivered, directly or indirectly, in or into the United States, Canada, Australia, South Africa or Japan or for the account or benefit of any such person located in the United States, Canada, Australia, South Africa or Japan.

This document does not constitute an offer to buy, acquire or subscribe for, or the solicitation of an offer to buy, acquire or subscribe for Ordinary Shares or an invitation to buy, acquire or subscribe for Ordinary Shares. This document does not constitute a prospectus for the purposes of the Prospectus Rules of the FCA or an admission document for the purpose of the AIM Rules for Companies. The Directors of the Company accept responsibility for the information contained in this document and to the best of their knowledge and belief (having taken all reasonable care to ensure that such is the case) the information contained in this document is in accordance with the facts and does not omit anything likely to affect the import of such information.

London Stock Exchange plc has not itself examined or approved the contents of this document. AIM is a market designed primarily for emerging or smaller companies to which a higher degree of investment risk tends to be attached than to larger or more established companies. AIM securities are not admitted to the Official List and the AIM Rules for Companies are less demanding than those of the Official List. A prospective investor should be aware of the risks of investing in AIM companies and should make the decision to invest only after careful consideration and, if appropriate, consultation with an appropriate financial adviser.

Your attention, in particular, is drawn to Part II of this Document which set out and describes certain risk factors that you should consider carefully when deciding whether or not to vote in favour of the Resolutions proposed at the General Meeting. The whole of this Document should be read in the light of these risk factors.

PLUTUS POWERGEN PLC

(a public limited company incorporated in England and Wales with Registered No. 05859612)

Proposed demerger of Plutus Energy Limited

Proposed Placing to raise £600,000

Proposed Debt Capitalisation of £266,094

Proposed Capital Reorganisation

and

Notice of General Meeting

Your attention is drawn to the letter from the Executive Chairman of Plutus PowerGen plc set out on pages 10 to 21 of this Circular, which recommends that you vote in favour of the Resolutions to be proposed at the General Meeting referred to below. The General Meeting has been convened by the Directors for the purpose of considering the Proposals set out in this Circular.

A notice convening a General Meeting of Plutus PowerGen plc to be held at 11.00 a.m. on 3 November 2020 at the offices of MSP Secretaries Limited, Eastcastle House, 27/28 Eastcastle Street, London, W1W 8DH is set out at the end of this Circular. You are encouraged to complete the accompanying Form of Proxy and return it in accordance with the instructions printed thereon as soon as possible, but in any event so as to be received by post or, during normal business hours and by appointment only, by hand, at Share Registrars Limited, The Courtyard, 17 West Street, Farnham, Surrey, GU9 7DR or via e-mail to voting@shareregistrars.uk.com, by no later than 11.00 a.m. on 30 October 2020 (or, in the event of an adjournment, no later than 48 hours before the time of the adjourned meeting, excluding non-working days).

Allenby Capital Limited, which is a member of the London Stock Exchange, is authorised and regulated in the United Kingdom by the Financial Conduct Authority and is acting as nominated adviser to the Company in connection with the Proposals. Its responsibilities as the Company's nominated adviser under the AIM Rules are owed solely to the London Stock Exchange and are not owed to the Company or to any Director or to any other person in respect of his decision to acquire Existing Ordinary Shares in the Company in reliance on any part of this Document. Allenby Capital Limited has not authorised the contents of, or any part of, this Document and no representation or warranty, express or implied, is made by Allenby Capital Limited as to any of the contents of this Document (without limiting the statutory rights of any person to whom this Document is issued). Allenby Capital Limited will not be offering advice and will not otherwise be responsible to anyone other than the Company for providing the protections afforded to customers of Allenby Capital Limited or for providing advice in relation to the contents of this Document or any other matter.

Turner Pope Investments (TPI) Limited is authorised and regulated by the Financial Conduct Authority, and is acting as the broker to the Company and no-one else in connection with the Proposals and will not be responsible to anyone other than the Company for providing the protections afforded to their customers or for affording advice in relation to the matters referred to herein. Turner Pope Investments (TPI) Limited does not accept any liability whatsoever for the accuracy of opinions contained in this Document (or for the omission of any material information) and is not responsible for the contents of this Document.

Copies of this Circular and the proposed new Articles will be available free of charge from the Company's registered office, 27/28 Eastcastle Street, London, W1W 8DH during normal business hours and copies will be available shortly on the website of the Company at www.plutuspowergenplc.com.

TABLE OF CONTENTS

EXPECTED TIMETABLE OF PRINCIPAL EVENTS

Publication of this Document	9 October 2020
Latest time and date for receipt of Forms of Proxy in respect of the General Meeting	11.00 a.m. on 30 October 2020
General Meeting of Shareholders	11.00 a.m. on 3 November 2020
Record date for Capital Reorganisation	close of business on 3 November 2020
Record date for Demerger	20 November 2020
Bonus Issue	23 November 2020
Court hearing to confirm Reduction of Capital	24 November 2020
Existing Ordinary Shares marked "ex" entitlement for Demerger	25 November 2020
Reduction of Capital becomes effective*	Between 25 November and 9 December 2020
Expected date of the completion of the Demerger*	Between 27 November and 11 December 2020
Admission of the Enlarged Share Capital to trading on AIM*	8.00 a.m. on between 27 November and 11 December 2020
CREST stock accounts to be credited for the Placing Shares in uncertificated form*	Between 27 November and 11 December 2020
Despatch of share certificates in certificated form by no later than	18 December

*As outlined below, due to the COVID-19 pandemic, Companies House is not offering a same day service for registration of documentation relating to the Reduction of Capital. As such certain of the events in the timetable above are subject to finalisation and change. The Company will make further announcements at the appropriate time to provide further information on definitive times and dates.

Notes

1 References to times in this Circular are to London time unless otherwise stated.

2 Each of the times and dates above are indicative only and are subject to change. If any of the above times or dates should change, the revised times and/or dates will be notified to Shareholders by an announcement on a Regulatory Information Service (and posted on the Company's website) in accordance with the Company's articles of association.

3 All events in the above timetable following the holding of the General Meeting are conditional upon: (i) the passing of the Resolutions; (ii) approval of the Reduction of Capital by the High Court; and (iii) registration of the High Court Order confirming the Reduction of Capital with the UK Registrar of Companies.

4 The reduction of capital will not take effect until the court order (and accompanying statement of capital) have been delivered to, and registered by, Companies House. Due to the COVID-19 pandemic, Companies House is not offering a same day service for such registration and this may have an impact on the proposed timetable.

PLACING STATISTICS

Placing Price	0.02p
Number of Existing Ordinary Shares	872,534,994
Total number of Placing Shares	3,000,000,000
Number of Debt Capitalisation Shares	1,390,470,000
Enlarged Share Capital following the Capital Reorganisation, Placing and Debt Capitalisation	5,263,004,994
Percentage of the Enlarged Share Capital comprised by the Placing Shares	57.0%
Percentage of the Enlarged Share Capital comprised by the Debt Capitalisation Shares	26.4%
Broker Warrants	600,000,000
Gross proceeds of the Placing	£600,000
Estimated net proceeds of the Placing	£490,000
ISIN	GB00B1GDWB47
SEDOL	B1GDWB4

IMPORTANT INFORMATION

Forward looking statements

Certain statements in this Document constitute "forward-looking statements". Forward-looking statements include statements concerning the plans, objectives, goals, strategies and future operations and performance of the Company and the assumptions underlying these forward-looking statements. The Company uses the words "anticipates", "estimates", "expects", "believes", "intends", "plans", "may", "will", "should", and any similar expressions to identify forward-looking statements. Such forward-looking statements involve known and unknown risks, uncertainties and other important factors that could cause the Company's actual results, performances or achievements to be materially different from any future results, performances or achievements expressed or implied by such forward-looking statements. Such forward-looking statements are based on numerous assumptions regarding present and future business strategies and the environment in which the Company will operate in the future. These forward-looking statements speak only as at the date of this Document. The Company is not obliged, and does not intend, to update or to revise any forward-looking statements, whether as a result of new information, future events or otherwise except to the extent required by any applicable law or regulation. All subsequent written or oral forward-looking statements attributable to the Company, or persons acting on behalf of the Company, are expressly qualified in their entirety by the cautionary statements contained throughout this Document. As a result of these risks, uncertainties and assumptions, a prospective investor should not place undue reliance on these forward-looking statements.

DIRECTORS AND ADVISERS

Directors	Charles Tatnall – *Executive Chairman* James Longley – *Interim Chief Executive Officer and Chief Financial Officer* Tim Cottier – *Non-Executive Director*
Registered Office	27/28 Eastcastle Street London W1W 8DH
Company's website	www.plutuspowergenplc.com
Company Secretary	James Longley
Nominated Adviser and Joint Broker	Allenby Capital Limited 5 St. Helen's Place London EC3A 6AB
Joint Broker	Turner Pope Investments Limited 8 Frederick's Place London EC2R 8AB
Solicitors to the Company	DMH Stallard LLP 6 New Street Square London EC4A 3BF
Registrars	Share Registrars Limited The Courtyard 17 West Street Farnham Surrey GU9 7DR

DEFINITIONS

The following definitions apply throughout this Circular unless the context requires otherwise:

Act or **the Companies Act:**	the Companies Act 2006, as amended.
Admission:	admission of the Placing Shares, Debt Capitalisation Shares and New Ordinary Shares to trading on AIM becoming effective and announced in accordance with the AIM Rules.
AIM:	the market of that name operated by the London Stock Exchange.
AIM Rules:	the AIM Rules for Companies, as published by the London Stock Exchange from time to time.
Articles:	the articles of association of the Company.
Attune Energy:	Attune Energy Limited.
Board or **Directors:**	the directors of the Company at the date of this Document and whose names are set out in Part I.
Bonus Issue:	the proposed capitalisation of amounts standing to the credit of the Share Premium Account into Plutus B Ordinary Shares to be issued to Shareholders on the basis of one Plutus B Ordinary Share for each Ordinary Share held at the Demerger Record Date.
Broker Warrants:	the 600,000,000 warrants to be granted in conjunction with the Placing (such number of warrants as is equivalent to 20 per cent. of the gross aggregate value of the funds sourced by Turner Pope from investors in the Placing divided by the Placing Price) to be granted to JIM Nominees Limited (as nominee for Turner Pope) and such warrants to be granted on Admission to subscribe for New Ordinary Shares of the Company, exercisable at the Placing Price and expiring on the third anniversary of Admission.
Capital Reorganisation:	the sub-division of every existing Ordinary Share into one New Ordinary Share and nine Deferred Shares.
Capital Reorganisation Record Date:	the close of business on 3 November 2020, being the time and date for the purposes of the Capital Reorganisation.
Circular or **this Document:**	this document, containing details of the Proposals.
CM:	Capacity Mechanism.
Company:	Plutus PowerGen plc, a company registered in England and Wales with registered number 05859612.
Completion:	completion of the Demerger expected to occur, subject to the passing of the Resolutions, between 27 November and 11 December 2020.
Court:	the High Court of Justice of England and Wales.
Court Order:	the order of the Court confirming the Reduction of Capital.
Debt Capitalisation:	the satisfaction of certain liabilities by the issue of the Debt Capitalisation Shares.

Debt Capitalisation Shares:	1,390,470,000 new Ordinary Shares to be issued to Charles Tatnall and James Longley (Directors of the Company) and certain other creditors or advisers to satisfy certain liabilities of the Company that are due or contractually payable within the next 12 months.
Deferred Shares:	the deferred shares of 0.01 pence each in the capital of Plutus.
Demerger:	the proposed demerger of Plutus Energy Limited from the Company to be implemented by the Reduction of Capital.
Demerger Record Date:	the close of business on 20 November 2020, being the time and date for the purposes of determining the Shareholders entitled to participate in the Demerger.
Directors:	directors of the Company whose names are set out on page 6.
Enlarged Share Capital:	all of the issued New Ordinary Shares following the Capital Reorganisation, the Reduction of Capital and the issue of the Placing Shares and Debt Capitalisation Shares.
FCA:	the Financial Conduct Authority.
Form of Proxy:	the form of proxy accompanying the Circular for the use of Shareholders in connection with the General Meeting.
General Meeting:	the General Meeting of the Company to be held at 11.00 a.m. on 3 November 2020 (or any reconvened meeting following any adjournment of the general meeting) at the offices of MSP Secretaries Limited, Eastcastle House, 27/28 Eastcastle Street, London, W1W 8DH, notice of which is set out at the end of this document.
Group:	the Company, Plutus Energy, the shares owned by Plutus Energy in Attune Energy and the Plutus Energy Investment Portfolio.
Hearing Date:	the date on which the Court Order confirming the Reduction of Capital is made.
Independent Director:	Tim Cottier.
Issued Share Capital or **Existing Ordinary Shares:**	the total number of Ordinary Shares in issue, being 872,534,994 Ordinary Shares as at the date of this Document.
Latest Accounts:	the Company's unaudited interim results for the six months ended 31 October 2019.
London Stock Exchange:	London Stock Exchange PLC.
New Ordinary Shares:	the new Plutus shares of 0.01 pence each in the capital of the Company resulting from the Capital Reorganisation and the Reduction of Capital.
Nominated Adviser or **Allenby Capital:**	Allenby Capital Limited, the Company's Nominated Adviser in accordance with the AIM Rules.
Notice or **Notice of General Meeting:**	the notice of the General Meeting set out at the end of this document.
Ordinary Shares:	ordinary shares of 0.1 pence each in the capital of the Company.

Pello Capital:	Pello Capital Limited, sub-placing agent to Turner Pope in connection with the Placing.
Placees:	the subscribers for the Placing Shares.
Placing:	the conditional placing of the Placing Shares by Turner Pope as agent for the Company.
Placing Price:	0.02 pence per Placing Share.
Placing Shares:	the 3,000,000,000 New Ordinary Shares proposed to be allotted and issued pursuant to the Placing.
Plutus B Ordinary Shares:	the 872,534,994 B Ordinary Shares of £0.001 each in the capital of the Company to be issued to Shareholders by way of the Bonus Issue.
Plutus Energy Investment Portfolio:	the shares held by the Company in Flexible Generation Limited, Balance Power Limited, Equivalence Energy Limited, Precise Energy Limited, Valence Power Limited, Portman Power Limited, Reliance Generation Limited and Selectgen Limited.
Plutus Energy Limited or **Plutus Energy:**	Plutus Energy Limited, a company registered in England and Wales with registered number 08836957 being a wholly owned subsidiary of the Company.
Plutus Energy Shares:	the ordinary shares of 0.001 pence each in the capital of Plutus Energy.
Proposals:	the proposals set out in this Circular, whereby Shareholders are being asked to consider, and if thought fit, approve, *inter alia*,: (i) the proposals detailed relating to the Demerger including the Bonus Issue, the Demerger and the Reduction of Capital; (ii) the proposed Capital Reorganisation; (iii) the proposed Placing; and (iv) the proposed Debt Capitalisation.
QCA Code:	the QCA Corporate Governance Code, published by the Quoted Company Alliance.
Reduction of Capital:	the proposed reduction of capital of the Company under section 641 of the Act, as described in this Circular.
Resolutions:	the resolutions set out in the Notice of General Meeting.
Rockpool:	Rockpool Investments LLP.
Rule 15 Cash Shell:	has the meaning set out in the AIM Rules.
Shareholders:	the holders of Ordinary Shares.
Turner Pope:	Turner Pope Investments (TPI) Limited, the Company's joint broker and broker for the purposes of the Placing.

PLUTUS POWERGEN PLC

(Incorporated in England and Wales with Registered No. 05859612)

Directors:
Charles Tatnall – *Executive Chairman*
James Longley – *Interim Chief Executive Officer and Chief Financial Officer*
Tim Cottier – *Non-Executive Director*

Registered Office:
27/28 Eastcastle Street
London
United Kingdom
W1W 8DH

9 October 2020

To holders of Ordinary Shares

Dear Shareholder,

Proposed demerger of Plutus Energy Limited, proposed capital reorganisation, proposed placing to raise £600,000, proposed debt capitalisation

and

Notice of General Meeting

1. Introduction

This Circular sets out the proposals for: (i) the proposed demerger of Plutus Energy Limited, which holds the Group's shares in Attune Energy Limited and a receivable totalling £656,856 in unpaid management fees owed to the Group; (ii) the proposed capital reorganisation; (iii) the proposed placing to raise £600,000 (before expenses) and; (iv) the proposed Debt Capitalisation.

Subject to the passing of the Resolutions at the General Meeting being convened for 3 November 2020 and on completion of the Demerger, the Company will continue to hold its interests in the Plutus Energy Investment Portfolio. The Company intends to seek to demerge the Plutus Energy Investment Portfolio to Plutus Energy Limited at a future date once the relevant consents from Rockpool are received.

The Demerger will constitute a fundamental change of business under Rule 15 of the AIM Rules and on completion of the Demerger the Company will cease to own, control or conduct all, or substantially all, of its existing trading business activities or assets. The Company's remaining assets following the Demerger, being the Plutus Energy Investment Portfolio, are effectively being held as assets for sale and do not generate revenue for the Group. The Company will therefore be classified as a Rule 15 Cash Shell on Completion and as such will be required to make an acquisition or acquisitions which constitute a reverse takeover under AIM Rule 14 (or seek re-admission as an investing company (as defined under the AIM Rules)) on or before the date falling six months from completion of the Demerger failing which the Company's Ordinary Shares would then be suspended from trading on AIM pursuant to AIM Rule 40. Admission to trading on AIM would be cancelled six months from the date of the suspension should the reason for the suspension not have been rectified.

The objective of the Demerger is to create value for Existing Shareholders through developing its existing energy assets in a private vehicle, and provide a continued investment in a Rule 15 Cash Shell seeking to deploy the Company's cash resources following completion of the Proposals towards the acquisition of an operating business (or operating assets) with such an acquisition constituting a reverse takeover under Rule 14 of the AIM Rules.

The net proceeds of the Placing, estimated to be £490,000, will be used by the Company to enable the settlement of trade and other creditors, including certain fees owed to directors, totalling approximately £275,000 and for general working capital purposes whilst it seeks a suitable reverse takeover candidate.

Following completion of the Proposals and settlement in full of outstanding creditors the Group is expected to have available cash resources of approximately £215,000 to deploy towards evaluating suitable reverse takeover candidates and for general working capital purposes.

The purpose of this Circular is to provide you with the background to the Proposals and to explain why the Directors consider the Proposals to be in the best interests of the Company and its Shareholders as a whole and why they recommend that Shareholders should vote in favour of the Resolutions to be proposed at the General Meeting, as they intend to do in respect of their own shareholdings.

A notice convening a General Meeting, to be held at 11.00 a.m. on 3 November 2020, at the offices of MSP Secretaries Limited, Eastcastle House, 27/28 Eastcastle Street, London, W1W 8DH to consider the Resolutions, is set out at the end of this Circular.

Plutus is not presently revenue generating and is in a highly constrained working capital position at the present time. It is likely that if Shareholder approval for the Proposals at the General Meeting is not received this would ultimately lead to the Company entering into administration or some other form of insolvency procedure, assuming that alternative funding would not be available in the immediate term. Accordingly, it is very important that Shareholders vote in favour of the Resolutions at the General Meeting.

2. Background to the Proposals

In the Company's final results for the year ended 30 April 2019, released on 31 October 2019, and subsequent announcements the Company has highlighted the causes for the difficult trading conditions with many external factors largely adversely affecting the Group's business.

These were as follows:

(1) In 2014, Capacity Mechanism was introduced which was a new market and not one the Group had planned for when it initially decided to enter the FlexGen market, where the Company is able to compete in the annual capacity auction to receive 15-year contracts for the construction of new generation capacity. In its first two years, this auction cleared at an average of circa £20,000 per MW for our sites for payment commencing four years from award. These payments were index-linked from award. The Group had been successful in securing some valuable CM contracts for our six FlexGen sites at an average of around £20,000 per MW per annum. This was widely welcomed by the industry to encourage the investment required therein.

(2) In October 2015, the UK Government announced at a Public Bill Committee, which outlined amendments to the Enterprise Investment Scheme ("EIS"), funding to exclude activities that involved the provision of reserve power capacity and generation, for example under a Capacity Market agreement or Short Term Operating Reserve contract. The UK Government noted that such activities are generally asset-backed and benefit from a guaranteed income stream and mainstream financing, which removes the need for tax-advantaged investment. This change would apply to investments made on or after 30 November 2015. Therefore, the Company was faced with no longer being able to secure EIS backed investment.

(3) In March 2016, the UK Government consulted on reforms to the Capacity Market including a set of questions on a proposal to avoid over-compensation in connection with certain risk finance schemes, i.e. EIS schemes from which the nine Plutus' co-owned companies benefitted. To ensure the amount of aid under the CM was limited to the minimum needed and that there was no cumulation or over-compensation, the total amount of aid (i.e. the total aid received under the risk finance schemes e.g. EIS and the total aid received under the CM) was deemed that it should not exceed the amount awarded in the CM auction. Therefore, the amount of EIS relief granted to investors would need to be offset against the co-investee company's CM receipts.

(4) In April 2016, the Group responded to a Department of Environment and Climate Change ("DECC") consultation on reforms to the Capacity Market, in which it confirmed that The Office of Gas and Electricity Markets ("Ofgem") had been asked to review network charging rules and their impact on embedded generation. DECC suggested that current charging arrangements could be providing undue reward to distribution-connected generators. The regulator was scheduled to report back with a proposed way forward. Separately, National Grid was undertaking its own review into embedded

benefits, and the Department for Environment, Food and Rural Affairs ("Defra") was reviewing emissions as part of the UK's adoption of the Medium Combustion Plant Directive ("MCPD").

(5) In March 2017, Ofgem published a 'minded to' decision, which it subsequently confirmed. From the winter of 2020/21, this reduced the embedded benefits received by distribution connected generators such as Plutus PowerGen to the residual charge. Consequently, the 2017 TRIAD "season" (from 1 November to 28 February each year) was the last 100 per cent. TRIAD and this fell to 66 per cent. in winter 2018 and 33 per cent. in winter 2019. This ultimately largely destroyed the Group's primary revenue stream and made it barely worthwhile to run except in exceptional circumstances.

(6) The outcome of DEFRA's consultation on lower emissions limits was delayed by the June 2017 general election until the third quarter of that year, where we were able to comply with the proposed new rules from cash generated from operations and loans received. The outcome in relation to the transposition into UK law of the MCPD required us to fit selective catalytic reduction ("SCR") or other measures to reduce the Nitrogen Oxide ("NOx") from the Group's FlexGen portfolio.

(7) On 15 November 2018, the General Court of the European Union issued a judgment on Case 793/14 Tempus Energy Ltd and Tempus Energy Technology V Commission, funded by Greenpeace, annulling the Commission's original State aid decision to approve a capacity mechanism scheme for Great Britain. The General Court ruled that the Commission should have initiated the formal investigation procedure before adopting a decision. This judgement rendered aid granted through the scheme unlawful. As a result, the UK Government decided to suspend the capacity market, meaning that it would not grant new associated subsidies until it was decided if they were compliant with EU law. However, in December 2018, the UK Government confirmed that it would operate the capacity market as normal, but without payments being made to agreement holders. The UK Government also confirmed that it intended to hold a replacement T-1 auction for the delivery year 2019/2020, which would be held by rearranging the postponed T-1 auction that had been scheduled for January 2019. In the meantime, the Commission lodged an appeal against the General Court's judgment before the Court of Justice on 25 January 2019. It also initiated the formal investigation on 21 February 2019 in order to adopt a new decision. BEIS said, "We will robustly defend this challenge. We continue to believe in the Capacity Market as a mechanism for guaranteeing security of supply…We welcomed the Commission appealing the Court's judgment – an appeal in which the UK is intervening to support the Commission." The date for the hearing was arranged for 12-15 November 2019. The Capacity Market was successfully re-introduced and the income therefrom will be applied to servicing the substantial debts incurred by the co-investee companies in building the sites and, where necessary, complying with government directives.

(8) On 22 July 2019, BEIS announced a consultation on Proposals for Capacity Market emissions limits in order to implement the Clean Energy Package provisions in respect of limits on carbon dioxide emissions from refurbishing and existing generation (likely to be coal, diesel and inefficient gas) to ensure any such generating capacity that does not meet the emissions limits shall not, from 1 July 2025, receive any capacity payments. This cost all the co-investee companies considerable sums to comply with the aforesaid provisions (in the region of £300,000 to £500,000 for each site). The co-investee companies have been largely unable to pay down debt at the expense of these additional costs.

Taking all of these items above into account, just about every major revenue stream of Plutus's investee companies has been adversely affected.

In August 2019, Plutus was given notice from the non-executive directors of Rockpool that its management contracts were to be terminated in eight out of the nine companies with six months' notice since the co-owned companies needed to reduce costs further than the already reduced fees Plutus was receiving as agreed under the letters of variation with them. The Company has accrued the fees owed to it totalling £656,856 to the date of termination due under the notice period and the letters of variation. This receivable for unpaid management fees is held in Plutus Energy and upon completion of the Demerger will no longer be held within the Group.

Furthermore, in October 2019 Mr Lazarevic left the Company in breach of his contract and the Company is intending to commence legal proceedings against Mr Lazarevic with regards to his breach of contract. As part of the Demerger, the Group has assigned the rights to claim against Mr Lazarevic to Plutus Energy.

Following the departure of Paul Lazarevic the Company was potentially in breach of their management contracts with Rockpool due to the Company not having the necessary competent personnel to carry out the obligations stipulated in these management contracts. Under the management contracts the Company had a 60-day period to remedy this breach. The Directors were unable to remedy this breach despite proposing third party contractors to run the sites. These contractors withdrew their offer due to the short-term nature of the contracts.

The Company's management contract with Attune Energy was also terminated on a three month notice period as the Company was unable to manage this standby diesel generation site due to not having the requisite in-house operational expertise and not being able to secure appropriate sub-contractors to manage the site as described above. Plutus do not anticipate accruing any further management fees on its FlexGen sites or its management contract with Attune Energy.

Due to the foregoing circumstances, the Company's cash resources are very limited and the working capital position of the Group is highly constrained. On 31 October 2019 the Company implemented a cost control strategy to minimise cash burn and in Q1 2020 certain Directors provided loans to the Company totalling £75,000 to enable the Company to meet its short-term working capital requirements. As announced on 1 April 2020, the provision of further loans under this facility was suspended and the Company is currently dependent on the ongoing cooperation and support of its creditors to manage its working capital position.

The FlexGen assets were also put up for sale which was being handled by Rockpool, advised by Jones Lang LaSalle. However, this process has failed to attract a buyer at the required price, and the FlexGen assets continue to be managed by the directors of the respective co-investee companies and are in receipt of CM payments where due.

The Company is therefore in a position where it is currently unable to realise it investments in its co-investee companies nor generate any revenue from them. The Directors have explored the options for the Company in the best interests of Shareholders as they believe that, given the relatively small size and the nature of its business and the overheads incurred by the Company to maintain a quotation for its shares on AIM, the Company is no longer benefitting in its current form from its Ordinary Shares being admitted to trading on AIM. One option the Board has considered is to propose to cancel its admission to trading on AIM, but this would result in there being no ready market in its Ordinary Shares. The Board also considered a solvent liquidation but concluded that the obligations of the Company and the winding up costs would not result in any significant return of value to Shareholders. The Board has also considered a Company Voluntary Arrangement ("CVA") but decided that this would not work due to the sums required to maintain a quote on AIM together with the costs of servicing and maintaining a CVA.

Alternatively, and as proposed in this Document, the Board has resolved to dispose of Plutus Energy Limited, the Company's wholly owned trading subsidiary which holds the Group's shares in Attune Energy and a receivable totalling £656,856 in unpaid management fees owed to the Group. In conjunction with the Demerger, the Company is raising £600,000 (before expenses) through the Placing to enable full settlement of outstanding creditors and provide the Company with sufficient working capital as a Rule 15 Cash Shell.

The Company is also seeking to, following completion of the Proposals, demerge the Plutus Energy Investment Portfolio once the relevant consents have been granted by Rockpool. At the present time the Board of Plutus believe that Rockpool are unnecessarily withholding consent. The demerger of the Plutus Energy Investment Portfolio will be subject to approval by shareholders at a later date however there can be no guarantee at this stage that consent will be received from Rockpool and that the Company will be in a position to implement the demerger of the Plutus Energy Investment Portfolio. Nor can there be any guarantee as to the timing or the terms of any consent being received from Rockpool.

Having considered these alternatives at length, in consultation with its advisers, the Board has concluded that the best available option is the Proposals set out in this Document, which include the Demerger and the Placing.

Following the passing of the Resolutions and with effect from Completion, the Company will become a Rule 15 Cash Shell (as defined in the AIM Rules) with cash resources of approximately £215,000 and no borrowings.

Following the Demerger, the Directors consider that there is an opportunity for Shareholders to realise value through the Company completing a reverse takeover of another business. The Directors will use their knowledge and experience to seek to identify a suitable reverse takeover target. There can be no guarantee that they will be able to identify or successfully acquire a suitable reverse takeover target during the period that the Company is a Rule 15 Cash Shell or thereafter.

3. Further information on the Company

The Latest Accounts show that, for the six months to 31 October 2019 and based on unaudited figures, the Group's consolidated total revenue and operating profit amounted to £567,744 and £115,838 respectively. The Group's cash and cash equivalents at 31 October 2019 stood at £Nil (31 October 2018: £62,833).

Moreover, based on unaudited figures, the Group's total revenue for financial year end 30 April 2020 amounted to £230,244 (2019: £1,275,000) with a profit before tax of £30,099 (2019: loss before tax of £1,650,701). The profit before tax figure includes a gain of approximately £570,000 in connection with share-based payments. As at 30 April 2020 the Group's consolidated cash and cash equivalents stood at £2,413 (2019: £45,177). These numbers are unaudited figures and remain subject to audit adjustments.

The substantial reduction in revenue in the year ended 30 April 2020 reflects the loss of the management contracts in the period under review and the Company ceasing to receive management fees from its FlexGen sites and Attune Energy management contract with effect from November 2019. As previously announced the Company currently has negligible cash resources and has been reliant in recent months on the continued co-operation and support of its creditors.

4. Update on the Company's 2020 Annual Report and Accounts

Due to the COVID-19 pandemic, the Company will be unable to post its 2020 Annual Report and Accounts to shareholders by 31 October 2020 deadline pursuant to Rule 19 of the AIM Rules.

Further to the guidance provided by AIM Regulation in "Inside AIM" on 26 March 2020, the Company requested an additional period of up to three months to publish its 2020 Annual Report. AIM Regulation has granted the extension and therefore the Company will publish its 2020 Annual Report by no later than 31 January 2021. The Company has also applied for and been granted an extension by Companies House to delay the filing of its 2020 Annual Report and Accounts until 30 April 2021.

Further updates will be given in due course as to the timing of the publication of the 2020 Annual Report and Accounts.

5. Details on the Demerger

Structure of the Demerger

The Demerger represents a fundamental change of business under Rule 15 of the AIM Rules and therefore requires the approval of Existing Shareholders at the General Meeting described below. Completion of the Demerger will result in the Company becoming a Rule 15 Cash Shell.

The Demerger will allow this to happen. The Demerger will be affected by taking the following steps:

- the subdivision of every Ordinary Share into one New Ordinary Share and nine Deferred Shares;
- Plutus Energy Shares will be issued to the Company;
- a bonus issue of Plutus B Ordinary Shares to Shareholders on a one for one basis; and
- following a reduction in Plutus' share capital (in accordance with the Act) Shareholders who are on the share register on the Demerger Record Date will receive:

One Plutus Energy Share for each Plutus B Ordinary Share

Following the Demerger each holder of 1 Ordinary Share will hold:

- **1 ordinary share in Plutus Energy** – this will own the shares in Attune Energy and a receivable of c. £655,000 in unpaid management fees from Rockpool; and

- **1 New Ordinary Share in the Company** – this will be a Rule 15 Cash Shell and will continue to hold the Plutus Energy Investment Portfolio.

The Demerger is conditional, *inter alia*, on:

- the approval of Shareholders of the Resolutions at the General Meeting to be held on 3 November 2020; and
- the confirmation of the Reduction of Capital by the Court.

The Plutus Energy Investment Portfolio is co-owned with Rockpool and requires their consent for the Company to transfer these interests to Plutus Energy. The Plutus Energy Investment Portfolio is valued at £152 in the books of the Company and, subject to obtaining the consent of Rockpool, the Company will seek to transfer the Plutus Energy Investment Portfolio to Plutus Energy Limited at its book value. At this stage there can be no guarantee that such consent will be forthcoming from Rockpool nor as to the timing of such consent being received. The Company intends to seek approval from shareholders to implement the prospective, future demerger of the Plutus Energy Investment Portfolio.

6. Details of the Capital Reorganisation

The Placing Price is less than the nominal value of 0.1 pence per existing ordinary share. The Companies Act (as amended) prohibits the Company from issuing ordinary shares at a price below the nominal value. Accordingly, the Company will be seeking shareholder approval to carry out the Capital Reorganisation through which it is proposed that each existing ordinary share will be subdivided into one New Ordinary Share and nine Deferred Share. The Deferred Shares will have no rights and the Company will not issue any certificates or credit CREST accounts in respect of them. The Deferred Shares will not be admitted to trading on AIM.

The number of existing ordinary shares in issue, and held by each Shareholder, as a result of the passing of the Resolutions will not change. It is simply the nominal value of the existing ordinary shares which will change.

As at close of business on 8 October 2020, being the latest practicable date prior to the publication of the circular there were 872,534,994 existing Ordinary Shares in issue. Immediately following the Capital Reorganisation, the Reduction of Capital and the Admission of the Placing Shares and Debt Capitalisation Shares, it is expected that there will be 5,263,004,994 New Ordinary Shares in issue.

7. Bonus Issue

There will be a bonus issue out of the Share Premium Account of Plutus B Ordinary Shares on the basis of one Plutus B Ordinary Share for every one Ordinary Share held by a Shareholder on the register of members on the Demerger Record Date.

The Bonus Issue is being effected so that the Plutus Energy Shares may be transferred to Shareholders as a repayment of capital.

The aggregate nominal value of all the Plutus B Ordinary Shares to be issued pursuant to the Bonus Issue will be up to £872,534.99 being equal to or greater than the approximate market capitalisation of the Company which represents the value of Plutus Energy, as at the close of business on 8 October 2020, being the latest practicable date prior to the date of this document.

A summary of the rights and restrictions attaching to the Plutus B Ordinary Shares is set out in Part III of this Document.

The Plutus B Ordinary Shares will then be cancelled pursuant to the Reduction of Capital and the capital thereon repaid to Shareholders by the transfer of the Plutus Energy Shares. The Plutus B Ordinary Shares will not be listed or admitted to trading on AIM or any other investment exchange or trading platform and cannot be held in CREST. No share certificates will be issued in respect of the Plutus B Ordinary Shares nor will any such shares exist after the Demerger, as explained below.

8. Proposed amendments to the Articles of Association

A number of amendments to the Articles of Association are required to implement the Proposals and require approval at the General Meeting. Such amendments include the insertion into the Articles of Association of the rights and restrictions attaching to the Plutus B Ordinary Shares. Such rights and restrictions are summarised in Part III of this Document.

9. Reduction of Capital

In order to effect the Demerger, the Company is proposing to cancel all of the Plutus B Ordinary Shares issued pursuant to the Bonus Issue by reducing the Company's share capital in accordance with the provisions of the Act. This will involve the cancellation of the Company's Share Premium Account.

The cancellation of the Share Premium Account will only take effect if sanctioned by the Shareholders at the General Meeting and confirmed by the Court and upon the appropriate documents being filed and registered with the Registrar of Companies.

The Hearing Date is expected to be 24 November 2020 and the Reduction of Capital is expected to become effective between 25 November 2020 and 9 December 2020.

The Company has been advised that the Court may require the Company to give an undertaking or put in place another mechanism for the protection of the Company's existing creditors. If required, the Company will provide such undertakings to the Court for the protection of creditors as it is advised by counsel are appropriate to be given. Subject to the Company putting in place satisfactory provision for the protection of creditors, the Company has been advised that there are good prospects of the proposed cancellation of the Share Premium Account being confirmed by the Court.

It should be noted that, although it is currently the Company's intention that the Demerger should be concluded, the Company is entitled to decide not to proceed with the Demerger at any time prior to the Reduction of Capital becoming effective if it determines that it would not be in the best interests of Shareholders as a whole.

Following completion of the Proposals the Company will no longer hold any revenue generating assets and will be a Rule 15 Cash Shell with the risks associated therewith.

10. AIM Rule 15

In accordance with AIM Rule 15, the Demerger constitutes a fundamental change of business of the Company and the Demerger will be subject to shareholder approval at the General Meeting. The Demerger requires the approval of more than 50 per cent. of the Ordinary Shares voted at the General Meeting.

On Completion, the Company would continue to hold the Plutus Energy Investment Portfolio which it intends to dispose of in due course once the relevant consents have been received. As such on Completion, the Company will become a Rule 15 Cash Shell and as such will be required to make an acquisition or acquisitions which constitutes a reverse takeover under AIM Rule 14 on or before the date falling six months from Completion or be re-admitted to trading on AIM as an investing company under the AIM Rules (which requires the raising of at least £6 million) failing which, the Company's Ordinary Shares would then be suspended from trading on AIM pursuant to AIM Rule 40. Admission to trading on AIM would be cancelled six months from the date of suspension should the suspension not have been lifted.

As a Rule 15 Cash Shell, the Company will have no operating cash flow and will be dependent on the net proceeds of the Placing for its working capital requirements.

In seeking and considering potential acquisitions the Board of Directors intend to identify opportunities offering the potential to deliver value creation and returns to shareholders over the medium to long-term. The Company will consider investment opportunities in any sectors as they arise.

11. Use of proceeds

The net proceeds of the Placing, estimated to be £490,000, will be used by the Company to enable the settlement of trade and other creditors, including fees owed to directors, totalling approximately £275,000 and for general working capital purposes whilst it seeks a suitable reverse takeover candidate.

Following completion of the Proposals and settlement in full of outstanding creditors the Group is expected to have available cash resources of approximately £215,000 to deploy towards evaluating suitable reverse takeover candidates and for general working capital purposes.

12. Details of the Placing

The Company has conditionally raised £600,000 (before commissions and expenses) through the proposed issue of the 3,000,000,000 Placing Shares at the Placing Price. The Placing Price represents a discount of approximately 71.4 per cent. to the middle market closing price of 0.07 pence per existing Ordinary Share on 8 October 2020, being the last practicable date prior to the publication of the Circular. The Placing Shares will represent approximately 57.0 per cent. of the Enlarged Share Capital.

The Placing has been arranged by Turner Pope as the Company's joint broker. Pello Capital are acting as sub-placing agent to Turner Pope.

The Placing is conditional upon, *inter alia*: (i) the Resolutions being passed at the General Meeting; (ii) the Reduction of Capital being confirmed by the Court and the relevant court order being delivered to the Registrar of Companies; (iii) the Demerger becoming effective; and (iv) Admission.

The Placing Shares, when issued and fully paid, will rank *pari passu* in all respects with the New Ordinary Shares and therefore will rank equally for all dividends or other distributions declared, made or paid after the issue of the Placing Shares on Admission.

13. Debt Capitalisation

Conditional on Admission, certain of the Directors, trade creditors and advisers have agreed to capitalise certain amounts that are either owed or contractually due to be settled in the next 12 months totalling £266,094. The debts will be satisfied through the issue by the Company of 1,390,470,000 new Ordinary Shares at the Placing Price.

As part of the Debt Capitalisation Charles Tatnall (Executive Chairman) and James Longley (Interim Chief Executive Officer and Finance Director) are capitalising a total of £75,000 in loans that were made to the Company pursuant to the loan agreement announced on 22 January 2020 and a total £48,000 of fees owed pursuant to the directors' existing service contracts.

The number of Ordinary Shares to be issued to the directors as a result of the Debt Capitalisation and the resulting aggregate shareholding of each Director on Admission is as follows:

	Existing debts to be capitalised	*Ordinary Shares issued on Debt Capitalisation*	*Ordinary Shares issued in the Placing*	*Ordinary Shares held following completion of the Proposals*	*% of the share capital held following completion of the Proposals*
Charles Tatnall, Executive Chairman	£61,500	307,500,000	Nil	397,166,667	7.55%
James Longley, Interim CEO and Finance Director	£61,500	307,500,000	Nil	389,166,667	7.39%
Tim Cottier, Non-Executive Director	Nil	Nil	Nil	Nil	Nil

As part of the Debt Capitalisation, Turner Pope, joint broker to the Company and broker for the purposes of the Placing, are to be issued with 360,000,000 Debt Capitalisation Shares comprising the settlement of

both fees accrued and contractually payable in the next 12 months to Turner Pope in connection with its role as the Company's joint broker. The Debt Capitalisation Shares to be issued to Turner Pope will represent 6.84 per cent. of the Company's share capital following completion of the Proposals.

14. Share options and warrants

Charles Tatnall (Executive Chairman) and James Longley (Interim CEO and Finance Director) each hold options to subscribe for up to a total of 19,770,000 Ordinary Shares each. All these options are exercisable for ten years from grant and were issued as follows: (i) 4,770,000 options on 8 March 2013 exercisable at 0.675p per share; and (ii) 15,000,000 options on 19 May 2017 exercisable at 1.485p per share.

The Company has entered into an agreement with the only current option holders, being Charles Tatnall and James Longley, pursuant to which it has been agreed to cancel the options granted to them and further to terminate the existing share option plans of the Company (being the Company 2013 share option plan and the Plutus Powergen Plc 2017 share option plan).

In connection with the Placing and conditional on the Proposals being approved by Shareholders and upon approval of the Resolutions, the Company has agreed to enter into a warrant instrument pursuant to which it will issue 600,000,000 Broker Warrants to JIM Nominees Limited (as nominee for Turner Pope) as is equivalent to 20 per cent. of the gross aggregate value of the funds sourced by Turner Pope from investors in the Placing divided by the Placing Price. 300,000,000 Broker Warrants will be transferred to Pello Capital immediately following completion in connection with their role in the Placing as sub-placing agent to Turner Pope.

The Broker Warrants may be exercised at any time between Admission and up to three years after Admission and will entitle the warrantholder to acquire one New Ordinary Share for each Broker Warrant held, at the Placing Price. The Broker Warrants will not be admitted to trading on AIM and will be transferable with the prior consent of the Company.

15. Related party transactions

Charles Tatnall and James Longley, as directors of the Company, are related parties for the purposes of the Debt Capitalisation. The Independent Director, being Tim Cottier, having consulted with Allenby Capital, the Company's nominated adviser, consider the terms of the Debt Capitalisation to be fair and reasonable insofar as the Company's shareholders are concerned.

Charles Tatnall and James Longley, as directors of the Company, are related parties for the purposes of the cancellation of their existing share options and the termination of the existing share option plans of the Company. The Independent Director, being Tim Cottier, having consulted with Allenby Capital, the Company's nominated adviser, consider the terms of the cancellation of the existing share options and termination of the existing share option plans to be fair and reasonable insofar as the Company's shareholders are concerned.

16. Admission and dealings

Application will be made to London Stock Exchange for the Placing Shares and the Debt Capitalisation Shares to be admitted to trading on AIM. The Company will be in a position to make the application to the London Stock Exchange following approval of the Resolutions and once the Reduction of Capital has become effective, which is expected to be between 25 November 2020 and 9 December 2020. Due to the COVID-19 pandemic, Companies House is not offering a same day service for registration of documentation relating to the Reduction of Capital.

Further announcements will be made at the appropriate time on the timetable for Admission.

17. Strategy for the Company following Completion

On completion of the Proposals the Company will become a Rule 15 Cash Shell and as such will be required to make an acquisition or acquisitions which constitutes a reverse takeover under AIM Rule 14 on or before the date falling six months from Completion or be re-admitted to trading on AIM as an investing company

under the AIM Rules (which requires the raising of at least £6 million) failing which, the Company's Ordinary Shares would then be suspended from trading on AIM pursuant to AIM Rule 40.

The Company's proposed strategy, following completion of the Demerger, will be to acquire one or more companies and/or projects which are either cash flow generative or show significant potential for growth and a profitable exit.

Leveraging their knowledge and contacts, the Directors will seek to identify suitable investment and/or acquisition opportunities. At this stage, the Directors would not seek to exclude any particular sector or jurisdiction.

In selecting suitable investment and/or acquisition opportunities, The Directors will consider various factors relevant to an opportunity, including the:

- ease with which capital can be raised to meet the working capital requirements both initially and in the future;
- growth potential and outlook for future cash generation;
- likely resulting liquidity in the Company's shares following acquisition(s);
- short, medium and longer-term exit strategies for Shareholders;
- possible synergies with knowledge and contacts of the Directors; and
- suitability for a public listing, either on AIM or another recognised market in the UK.

18. Risk factors

Shareholders' attention is drawn to the Risk Factors set out in Part II of this Document.

19. General Meeting

The Proposals are conditional upon, *inter alia*, the Shareholders approving the Resolutions at the General Meeting.

The Notice convening the General Meeting to be held at the offices of MSP Secretaries Limited, Eastcastle House, 27/28 Eastcastle Street, London, W1W 8DH at 11.00 a.m. on 3 November 2020, at which the Resolutions will be proposed is set out at the back of this Circular.

Further details regard the General Meeting and arrangements made in light of the COVID-19 pandemic are set out in paragraph 20 of this Part 1.

A summary of the Resolutions is set out below.

Ordinary Resolutions

1. THAT the Demerger be approved in accordance with Rule 15 of the AIM Rules for Companies.

2. THAT that each existing Ordinary Share will be subdivided into one New Ordinary Share and nine Deferred Shares.

3. THAT the Directors be authorised to allot and issue up to an aggregate nominal amount of £1,650,000 of Relevant Securities.\

Special Resolutions

4. THAT the Bonus Issue and the Reduction of Capital be approved.

5. THAT the Articles be amended.

6. THAT conditional upon the passing of resolution 3 above, the Directors be authorised to issue new Ordinary Shares on a non-pre-emptive basis to cover the allotment of the Debt Capitalisation Shares, the Placing Shares and equity securities issued for cash representing 20 per cent., of the nominal value of the issued ordinary share capital of the Company at Admission.

20. Action to be taken

Please check that you have received the following with this document:

- a Form of Proxy for use in respect of the General Meeting; and
- a reply-paid envelope for use in connection with the return of the Form of Proxy (in the UK only).

You are strongly encouraged to complete, sign and return your Form of Proxy in accordance with the instructions printed thereon so as to be received, by post or, during normal business hours and by appointment only, by hand to Share Registrars Limited, The Courtyard, 17 West Street, Farnham, Surrey, GU9 7DR or via e-mail to voting@shareregistrars.uk.com as soon as possible but in any event so as to arrive by not later than 11.00 a.m. on 30 October 2020 (or, in the case of an adjournment of the General Meeting, not later than 48 hours before the time fixed for the holding of the adjourned meeting (excluding any part of a day that is not a Business Day)).

If you hold Existing Ordinary Shares in CREST, no Form of Proxy will be sent to you. Instead, you may appoint a proxy by completing and transmitting a CREST proxy instruction to the Company's registrars, Share Registrars Limited (under Participant ID 7RA36) so that it is received by not later than 11.00 a.m. on 30 October 2020.

In light of the COVID-19 pandemic Shareholders are urged to exercise their votes by submitting their Form of Proxy and appointing the Chairman of the General Meeting as their proxy. The UK government has recently tightened the restrictions on gatherings, only permitting gatherings of up to six people to take place subject to limited exemptions. The Board has therefore concluded that Shareholders and their proxies (not including Directors) will not be allowed to attend the meeting in person other than for the purpose of establishing the quorum for the meetings, as to do so would be inconsistent with current government guidelines relating to COVID-19 (as published as at the date of this circular). Any Shareholder seeking to attend the General Meeting in person will be refused entry. The Company is actively following developments and will issue further information through a Regulatory Information Service and/or on its website (www.plutuspowergenplc.com) if it becomes necessary or appropriate to make any alternative arrangements for the General Meeting. The General Meeting will be purely functional in format to comply with the relevant legal requirements.

Appointing a proxy in accordance with the instructions set out above will enable your vote to be counted at the General Meeting. Shareholders who hold their Existing Ordinary Shares through a nominee should instruct their nominee to submit the Form of Proxy on their behalf. Only the formal business set out in the notice of General Meeting will be considered at the meeting. Your attention is drawn to the notes to the Form of Proxy.

21. Irrevocable undertakings

In relation to the Resolutions each of the Directors who is also a Shareholder has irrevocably undertaken to vote in favour of the Resolutions in respect of, in aggregate, 171,333,334 Ordinary Shares held directly by them, representing approximately 19.64 per cent. of the Issued Share Capital.

22. Recommendation

The Board unanimously recommend that Shareholders vote in favour of the Resolutions.

Plutus does not currently generate revenue and is in a highly constrained working capital position at the present time. It is likely that, if Shareholder approval for the Proposals at the General Meeting is not received this would ultimately lead to the Company entering into administration or some other form of insolvency procedure, assuming that alternative funding would not be available in the immediate term. Accordingly, it is very important that Shareholders vote in favour of the Resolutions at the General Meeting.

The Board intend to vote in favour of each of the Resolutions in respect of their direct and indirect shareholdings which in aggregate amount to 171,333,334 Ordinary Shares representing 19.64 per cent.of the Issued Share Capital.

Yours faithfully,

Charles Tatnall
Executive Chairman

For and on behalf of the Board

PART II – RISK FACTORS

Shareholders should carefully consider all of the information in this Document including the risks below. The Board have identified these risks as material risks, but additional risks and uncertainties not presently known to the Board, or that the Board consider immaterial, may also adversely affect the Company. If any or a combination of the following risks materialise, the Company's business, financial condition and/or performance could be materially adversely affected. In any such case the market price of the Ordinary Shares could decline.

The following risk factors should not be considered in any order of priority. The Company's future performance might be affected by changes in market conditions and legal, regulatory and tax requirements.

AIM Rule 15 deadlines

In accordance with AIM Rule 15, the Demerger constitutes a fundamental change of business of the Company. On Completion, the Company would cease to own, control or conduct all or substantially all, of its existing trading business, activities or assets.

Therefore, following Completion, the Company will become a Rule 15 Cash Shell and as such will be required to make an acquisition or acquisitions which constitutes a reverse takeover under AIM Rule 14 on or before the date falling six months from Completion or be re-admitted to trading on AIM as an investing company under the AIM Rules (which requires the raising of at least £6 million) failing which, the Company's Ordinary Shares would then be suspended from trading on AIM pursuant to AIM Rule 40. Admission to trading on AIM would be cancelled six months from the date of suspension should the reason for the suspension not have been rectified.

Identifying a suitable target

The Company will be dependent upon the ability of the board of directors following Completion to identify suitable acquisition targets. There is no guarantee that the Company will be able to acquire an identified opportunity at an appropriate price, or at all, as a consequence of which resources might have been expended fruitlessly on investigative work and due diligence.

As at the date hereof, the Directors have not identified any investment opportunities which they have resolved to pursue.

Limited current funds

As a Rule 15 Cash Shell, the Company would have no operating cash flow and would be dependent on its cash balances following completion of the Proposals to enable it to meet its working capital requirements. The Company's available cash resources on Completion are estimated to be £215,000. As such the Company may be required to raise additional funds in order to complete a reverse takeover. Shareholders' holdings of Ordinary Shares may be materially diluted in due course by any such equity issues.

Market conditions

Market conditions may have a negative impact on the Company's ability to make an acquisition or acquisitions which constitutes a reverse takeover under AIM Rule 14. There is no guarantee that the Company will be successful meeting the AIM Rule 15 deadline as described above.

Costs associated with potential acquisition or acquisitions

The Company expects to incur certain third party costs associated with the sourcing of suitable acquisition. The Company can give no assurance as to the level of such costs, and given that there can be no guarantee that negotiations to acquire any given target business will be successful, the greater the number of deals that do not reach completion, the greater the likely impact of such costs on the Company's performance, financial condition and business prospects.

Future financing

The primary sources of future financing available to the Company are the potential future issue of additional equity capital or shareholder loans. The Company's ability to raise further funds will depend on the success of the future acquisition or acquisitions undertaken. The Company may not be successful in procuring the requisite funds on terms which are acceptable to it (or at all) and Shareholders' holdings of Ordinary Shares may be materially diluted in due course by subsequent equity issues.

PART III – RIGHTS AND RESTRICTIONS ATTACHING TO THE PLUTUS B ORDINARY SHARES

Income

The Plutus B Ordinary Shares shall confer no right to participate in the profits of the Company.

Capital

Except as provided in the next paragraph, on a return of capital on a winding-up or otherwise (including a Court approved reduction of capital paid up on the Plutus B Ordinary Shares pursuant to the Act), the holders of the Plutus B Ordinary Shares shall be entitled, in priority to any payment to the holders of every other class of share in the capital of the Company, the amount paid up or credited as paid up on each Plutus B Ordinary Share held by them.

On a winding-up, the holders of the Plutus B Ordinary Shares shall not be entitled to any further right of participation in the profits or assets of the Company in excess of that specified in the paragraph above. In the event that there is a winding-up and the amounts available for payment are insufficient to pay the amounts due on all of the Plutus B Ordinary Shares in full, the holders of the Plutus B Ordinary Shares shall be entitled to their pro-rata proportion of the amounts to which they would otherwise be entitled.

The aggregate entitlement of each holder of the Plutus B Ordinary Shares on a winding-up in respect of all of the Plutus B Ordinary Shares held by him shall be rounded up to the nearest pence.

The holders of the Plutus B Ordinary Shares shall not be entitled to any further right of participation in the assets of the Company.

Voting and general meetings

The holders of Plutus B Ordinary Shares shall not be entitled, in their capacity as holders of such shares, to receive notice of any general meeting of the Company nor to attend, speak or vote at any such general meeting.

Class rights

A reduction by the Company of the capital paid up or credited as paid up on the Plutus B Ordinary Shares and the cancellation of such shares shall be treated as being in accordance with the rights attaching to the Plutus B Ordinary Shares and shall not involve a variation of such rights for any purpose or require the consent of the holders of the Plutus B Ordinary Shares.

Without prejudice to the foregoing, the Company is authorised to reduce (or purchase shares in) its capital of any class or classes and such reduction (or purchase) shall not involve a variation of any rights attaching to the Plutus B Ordinary Shares for any purpose or require the consent of the holders of the Plutus B Ordinary Shares.

Transferability

The Plutus B Ordinary Shares shall not be transferable.

Company Number: 05859612

PLUTUS POWERGEN PLC

NOTICE OF GENERAL MEETING

NOTICE IS HEREBY GIVEN that a General Meeting of the members of Plutus PowerGen plc (the "**Company**") will be held at the offices of MSP Secretaries Limited, Eastcastle House, 27/28 Eastcastle Street, London, W1W 8DH on 3 November 2020 at 11.00 a.m. for the purpose of considering and, if thought fit, passing the resolutions set out below.

ORDINARY RESOLUTIONS

1. THAT the Demerger by the Company (as referred to and defined in the circular to shareholders of the Company of the same date as this notice of General Meeting), be approved in accordance with Rule 15 of the AIM Rules for Companies and that the Directors of the Company be authorised to take all such steps as any of them may consider necessary or desirable to implement the Demerger on the terms set out in the circular to shareholders of the Company of the same date as the notice of the General Meeting.

2. THAT, subject to passing resolution 6, each ordinary share of 0.1 pence each in the capital of the Company ("**Existing Ordinary Share**"), as shown in the register of members of the Company at the Capital Reorganisation Record Date as such term is defined in the circular to shareholders dated 9 October 2020 (the "**Circular**"), be subdivided into one new ordinary share of 0.01 pence each and nine deferred shares of 0.01 pence each.

3. THAT the directors of the Company be generally and unconditionally authorised in accordance with section 551 of the Companies Act 2006 as amended (the "**2006 Act**") to allot Relevant Securities (as defined in this resolution) up to an aggregate nominal amount of £1,650,000, provided that this authority shall, unless renewed, varied or revoked by the Company in general meeting, expire on the date falling 15 months from the date of the passing of this resolution, save that the Company may at any time before such expiry make an offer or agreement which might require Relevant Securities to be allotted after such expiry and the Directors may allot Relevant Securities to be allotted in pursuance of such offer or agreement notwithstanding that the authority hereby conferred has expired. This authority is in substitution for all previous authorities conferred on the Directors in accordance with section 551 of the 2006 Act. In this resolution, "Relevant Securities" means any shares in the capital of the Company and the grant of any right to subscribe for, or to convert any security into, shares in the capital of the Company ("**Shares**").

SPECIAL RESOLUTIONS

4. THAT:

   (a) the directors of the Company be authorised to capitalise a maximum sum not exceeding £872,534.99 standing to the credit of the share premium of the Company in paying up in full up to 872,534,994 Plutus B Ordinary Shares of £0.001 each in the capital of the Company ("'**B**' **Ordinary Shares**") and in accordance with Section 551 of the Companies Act 2006, as amended, the directors of the Company be authorised generally and unconditionally to exercise all the powers of the Company to allot and distribute such 'B' Ordinary Shares credited as fully paid to holders of Existing Ordinary Shares on the register of members of the Company at the Demerger Record Date or such later time as the directors of the Company may determine on the basis of one 'B' Ordinary Share for every one Existing Ordinary Share; and

   (b) subject to a confirmation order from the High Court of Justice of England and Wales, the capital of the Company following the capitalisation issue referred to in Resolution 3(a) above be reduced by up to £872,534.99 by cancelling and extinguishing altogether all of the issued 'B' Ordinary Shares and that the amount paid up or credited as paid up on each 'B' Ordinary Share be repaid to the Shareholders by the transfer of all the ordinary shares of 0.001 pence each in the capital

of Plutus Energy Limited, a wholly owned subsidiary of the Company, ("**Plutus Energy Shares**") on the basis of one Plutus Energy Share for every one 'B' Ordinary Share.

5. THAT conditional upon the passing of resolutions 2 and 4 above, the Articles of Association of the Company (the "**Articles**") shall be and are hereby amended with immediate effect in the manner set out in the amended form of Articles produced to the meeting and signed by the Chairman for the purpose of identification.

6. THAT, subject to resolution 3 above being duly passed, the directors of the Company be generally empowered pursuant to section 570 of the 2006 Act (in the case of sub-paragraphs (a) and (d) below) and section 571 of the Act (in the case of sub-paragraphs (b) and (c) below) to allot equity securities (as defined in section 560 of the 2006 Act) for cash as if section 561(1) of the 2006 Act did not apply to any such allotment pursuant to the general authority conferred on them by Resolution 3 above (as varied from time to time by the Company in general meeting) PROVIDED THAT such power shall be limited to:

   (a) the allotment of equity securities in connection with a rights issue or any other offer to holders of ordinary shares in proportion (as nearly as may be practicable) to their respective holdings and to holders of other equity securities as required by the rights of those securities or as the directors of the Company otherwise consider necessary, but subject to such exclusions or other arrangements as the directors of the Company may deem necessary or expedient in relation to treasury shares, fractional entitlements, record dates, legal or practical problems in or under the laws of any territory or the requirements of any regulatory body or stock exchange; and

   (b) the allotment of the Debt Capitalisation Shares as such term is defined in the Circular;

   (c) the allotment of the Placing Shares as such term is defined in the Circular;

   (d) the allotment of new Ordinary Shares pursuant to the exercise of the Broker Warrants as such term is defined in the Circular;

   (e) the allotment for cash (otherwise than pursuant to sub paragraphs (a) to (c) above) of equity securities up to an aggregate nominal amount of £278,418, which represents 20 per cent. of the nominal value of the issued ordinary share capital of the Company at Admission (as defined in the Circular),

   and the power hereby conferred shall operate in substitution for and to the exclusion of any previous power given to the directors of the Company pursuant to section 570 of the 2006 Act and shall expire on the date falling 15 months from the date of the passing of this resolution (unless renewed varied or revoked by the Company prior to or on that date) save that the Company may, before such expiry make an offer or agreement which would or might require equity securities to be allotted after such expiry and the directors of the Company may allot equity securities in pursuance of such offer or agreement notwithstanding that the power conferred by this resolution has expired.

By order of the Board

Charles Tatnall
James Longley
Tim Cottier

Registered Office

27/28 Eastcastle Street
London
United Kingdom
W1W 8DH

Registered in England and Wales No. 05859612

Date: 9 October 2020

NOTES:

Given the current Coronavirus (COVID-19) situation, and to ensure adherence to current Government requirements, attendance in person at the meeting will not be possible this year. Shareholders are requested to appoint the Chairman of the meeting as his or her proxy as any other person so appointed will not be permitted to attend the meeting. The below notes are to be read subject to this COVID-19 related proviso.

1. On a vote by show of hands every Shareholder who is present in person and every proxy has one vote (but no individual shall have more than one vote). On a poll every Shareholder shall have one vote for every Ordinary Share held.

2. As at 8 October 2020, the Company's issued ordinary share capital comprises 872,534,994 Ordinary Shares.

3. Members are entitled to appoint a proxy to exercise all or any of your rights to attend, speak and vote at a general meeting of the Company. A member may appoint more than one proxy in relation to the meeting provided that each proxy is appointed to exercise the rights attached to a different share or shares held by that member. If a proxy appointment is submitted without indicating how the proxy should vote on any resolution, the proxy will exercise his discretion as to whether and, if so, how he votes.

4. A proxy need not be a member of the Company. Details of how to appoint the chairman of the meeting or another person as your proxy using the proxy form are set out in the notes to the proxy form.

5. A proxy form which may be used to make such appointment and give proxy instructions accompanies this notice. If you do not have a proxy form and believe you should have one, or if you require additional forms, please contact Share Registrars Limited, The Courtyard, 17 West Street, Farnham, Surrey, GU9 7DR (the "**Company's Registrars**").

6. To be valid, any proxy form or other instrument appointing a proxy must be received by post or (during normal business hours and by appointment only) by hand at Share Registrars Limited, The Courtyard, 17 West Street, Farnham, Surrey, GU9 7DR or by e-mail to voting@shareregistrars.uk.com, no later than 11.00 a.m. on 30 October 2020 (or, in the event of an adjournment, no later than 48 hours before the time of the adjourned meeting excluding non-working days), together with, if appropriate, the power of attorney or other authority (if any) under which it is signed or a duly certified copy of that power or authority.

7. A vote withheld option is provided on the form of proxy to enable you to instruct your proxy not to vote on any particular resolution. However, it should be noted that a vote withheld in this way is not a 'vote' in law and will not be counted in the calculation of the proportion of the votes 'for' and 'against' a resolution.

8. Pursuant to Regulation 41 of The Uncertificated Securities Regulations 2001 and paragraph 18(c) of The Companies Act 2006 (Consequential Amendments) (Uncertificated Securities) Order 2009, the Company specifies that only those members registered on the Company's register of members as at **11.00 a.m.** on the **30 October 2020** or 48 hours before the time of the meeting shall be entitled to vote at the meeting. In calculating the period of 48 hours mentioned above no account shall be taken of any part of a day that is not a working day. Subsequent changes to entries on the register after this time shall be disregarded in determining the rights of any persons to vote at the meeting.

9. If you appoint a proxy to vote on your behalf at this general meeting, your voting rights will revert to you at the conclusion of the General Meeting or any adjournment of it.

10. Any corporation which is a member can appoint one or more corporate representatives who may exercise on its behalf all of its powers as a member provided that they do not do so in relation to the same shares.

11. If a member is a company, the proxy form must be executed under its common seal (or such form of execution as has the same effect) or executed on its behalf by a duly authorised officer of the company or an attorney for the company. A copy of the authorisation of such officer or attorney must be lodged with this proxy form.

12. In the case of joint holders, any one holder may sign the form of proxy, but all the names of the joint holders should be stated on this proxy form. The vote of the most senior holder who tenders a vote whether in person or by proxy shall be accepted to the exclusion of the votes of the other joint holder(s) and for this purpose seniority shall be determined by the order in which the names of the joint holders stand in the register of members of the Company in respect of the joint holding (the first-named being the most senior).

13. To change your proxy instructions simply submit a new proxy appointment using the methods set out above. Note that the cut-off time for receipt of proxy appointments (as set out in note 6) also applies in relation to amended instructions; any amended proxy appointment received after the cut-off time will be disregarded.

14. If more than one valid proxy appointment is returned in respect of the same shares, the appointment received last by the Company's Registrars before the latest time for the receipt of proxies (as set out in note 6) will take precedence.

15. In order to revoke a proxy appointment, you will need to inform the Company by sending a signed hard copy notice clearly stating your intention to revoke your proxy appointment to the Company's Registrars. In the case of a member which is a company, the revocation notice must be executed under its common seal or signed on its behalf by an officer of the company or an attorney for the company. Any power of attorney or any other authority under which the revocation notice is signed (or a duly certified copy of such power or authority) must be included with the revocation notice.

16. The revocation notice must be received by the Company's Registrars, by no later than the applicable cut-off time for receipt of the corresponding proxy appointment (as set out in note 6).